

**LEGISLATIVE SERVICES AGENCY  
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**FISCAL IMPACT STATEMENT**

**LS 7797**

**BILL NUMBER: SB 509**

**NOTE PREPARED: Jan 12, 2005**

**BILL AMENDED:**

**SUBJECT:** Right to Cure for Deceptive Acts.

**FIRST AUTHOR:** Sen. Clark

**BILL STATUS:** As Introduced

**FIRST SPONSOR:**

**FUNDS AFFECTED: X GENERAL  
DEDICATED  
FEDERAL**

**IMPACT:** State

**Summary of Legislation:** This bill defines an offer to cure a deceptive act as a cure that: (1) is reasonably calculated to remedy the consumer's loss; and (2) includes an additional amount of the greater of 10% of the value of the cure or \$500.

This bill also provides that: (1) the court may award additional damages for a willful deceptive act; (2) an offer to cure is not admissible as evidence in a proceeding under certain circumstances; and (3) a respondent may not be held liable for attorney's fees and court costs unless the actual damages awarded exceed the value of the offer to cure.

**Effective Date:** July 1, 2005.

**Explanation of State Expenditures:**

**Explanation of State Revenues:** This bill allows the court to increase the amount of damages in an action involving a person relying upon an uncured or incurable deceptive act. It also provides a definition for "offer to cure". Any increase in court fee revenue to the state General Fund will ultimately depend upon the amount of civil action which results from this legislation, but will likely be small.

**Explanation of Local Expenditures:**

**Explanation of Local Revenues:** *Court Fee Revenue:* Any increase in court fee revenue will ultimately depend upon the amount of civil action which results from this legislation, but will likely be small.

**State Agencies Affected:**

**Local Agencies Affected:** Trial courts, city and town courts.

**Information Sources:**

**Fiscal Analyst:** Adam Brown, 317-232-9854.